

House Amendment 8241

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1 1 Amend House File 2470 as follows:
1 2 #1. By striking everything after the enacting
1 3 clause and inserting the following:
1 4 1 5 Section 1. REGULATORY EFFICIENCY COMMISSION.
1 6 1. A regulatory efficiency commission is
1 7 established for purposes of identifying unneeded
1 8 regulations, fines, and fees that hinder business
1 9 development. The commission shall also identify
1 10 methods for streamlining access to regulatory
1 11 information.
1 12 2. The commission shall consist of seven voting
1 13 members appointed by the governor and four ex officio
1 14 members.
1 15 a. The seven voting members appointed by the
1 16 governor are subject to the requirements of sections
1 17 69.16, 69.16A, and 69.19. The seven members shall
1 18 consist of the following:
1 19 (1) Two members shall be economic development
1 20 representatives from two different chambers of
1 21 commerce. One shall be from a metropolitan area with
1 22 more than fifty thousand people and one shall be from
1 23 a metropolitan area with fifty thousand people or
1 24 less.
1 25 (2) Two members representing agricultural
1 26 interests.
1 27 (3) One member representing the Iowa association
1 28 of business and industry.
1 29 (4) Two members representing commercial-based and
1 30 manufacturing-based businesses.
1 31 b. The four ex officio members shall be members of
1 32 the general assembly. Two members shall be from the
1 33 senate and two members shall be from the house of
1 34 representatives, with not more than one member from
1 35 each chamber being from the same political party. The
1 36 two senators shall be designated by the president of
1 37 the senate after consultation with the majority and
1 38 minority leaders of the senate. The two
1 39 representatives shall be designated by the speaker of
1 40 the house of representatives after consultation with
1 41 the majority and minority leaders of the house of
1 42 representatives. Legislative members shall serve in
1 43 an ex officio, nonvoting capacity.
1 44 3. Meetings of the commission are subject to the
1 45 provisions of chapter 21.
1 46 4. By January 10, 2005, the commission shall
1 47 submit a written report to the governor and the
1 48 general assembly. The report shall include the
1 49 findings and legislative recommendations of the
1 50 commission. The report shall be distributed by the
2 1 secretary of the senate and the chief clerk of the
2 2 house of representatives to the chairpersons and
2 3 members of the administrative rules review committee
2 4 and the economic growth committees in the senate and
2 5 the house of representatives.
2 6 DIVISION II == PARTNERSHIP COMMISSION
2 7 Sec. 2. PARTNERSHIP COMMISSION.
2 8 1. A partnership commission is established for
2 9 purposes of identifying unnecessary public mandates
2 10 for elimination and providing recommendations designed
2 11 to encourage city and county governments to share
2 12 services.
2 13 2. The commission shall consist of seven voting
2 14 members appointed by the governor and four ex officio
2 15 members.
2 16 a. The seven voting members appointed by the
2 17 governor are subject to the requirements of sections
2 18 69.16, 69.16A, and 69.19. The seven members shall
2 19 consist of representatives from various sized cities
2 20 and counties.
2 21 b. The four ex officio members shall be members of
2 22 the general assembly. Two members shall be from the
2 23 senate and two members shall be from the house of
2 24 representatives, with not more than one member from
2 25 each chamber being from the same political party. The

2 26 two senators shall be designated by the president of
2 27 the senate after consultation with the majority and
2 28 minority leaders of the senate. The two
2 29 representatives shall be designated by the speaker of
2 30 the house of representatives after consultation with
2 31 the majority and minority leaders of the house of
2 32 representatives. Legislative members shall serve in
2 33 an ex officio, nonvoting capacity.

2 34 3. Meetings of the commission are subject to the
2 35 provisions of chapter 21.

2 36 4. By January 10, 2005, the commission shall
2 37 submit a written report to the governor and the
2 38 general assembly. The report shall include the
2 39 findings and legislative recommendations of the
2 40 commission. The report shall be distributed by the
2 41 secretary of the senate and the chief clerk of the
2 42 house of representatives to the chairpersons and
2 43 members of the administrative rules review committee
2 44 and the state government committees in the senate and
2 45 the house of representatives.

2 46 DIVISION III == REGIONAL ECONOMIC DEVELOPMENT ==
2 47 APPROPRIATIONS

2 48 Sec. 3. NEW SECTION. 15E.231 ECONOMIC
2 49 DEVELOPMENT REGIONS.

2 50 1. In order for an economic development region to
3 1 receive moneys from the grow Iowa values fund created
3 2 in section 15G.108, the organization of an economic
3 3 development region must be approved by the grow Iowa
3 4 values board established in section 15G.102. The
3 5 board shall approve an economic development region
3 6 that meets the following criteria:

3 7 a. The region consists of not less than three
3 8 contiguous counties. Upon the recommendation of the
3 9 director of the department of economic development,
3 10 this paragraph may be waived by the board.

3 11 b. The region establishes a single, focused
3 12 economic development effort, approved by the board,
3 13 that shall include the development of a regional
3 14 development plan and regional marketing strategies.
3 15 Regional marketing strategies must be focused on
3 16 marketing the region collectively.

3 17 2. An approved economic development region may
3 18 create an economic development region revolving fund
3 19 as provided in section 15E.232.

3 20 Sec. 4. NEW SECTION. 15E.232 ECONOMIC
3 21 DEVELOPMENT REGION REVOLVING FUNDS == TAX CREDITS.

3 22 1. An economic development region approved
3 23 pursuant to section 15E.231 may create an economic
3 24 development region revolving fund.

3 25 2. a. A nongovernmental entity making a
3 26 contribution to an economic development region
3 27 revolving fund at any time prior to July 1, 2009, may
3 28 claim a tax credit equal to twenty percent of the
3 29 amount contributed to the revolving fund. The tax
3 30 credit shall be allowed against taxes imposed in
3 31 chapter 422, divisions II, III, and V, and in chapter
3 32 432, and against the moneys and credits tax imposed in
3 33 section 533.24. An individual may claim under this
3 34 subsection the tax credit of a partnership, limited
3 35 liability company, S corporation, estate, or trust
3 36 electing to have income taxed directly to the
3 37 individual. The amount claimed by the individual
3 38 shall be based upon the pro rata share of the
3 39 individual's earnings from the partnership, limited
3 40 liability company, S corporation, estate, or trust.
3 41 Any tax credit in excess of the taxpayer's liability
3 42 for the tax year may be credited to the tax liability
3 43 for the following seven years or until depleted,
3 44 whichever occurs first. A tax credit shall not be
3 45 carried back to a tax year prior to the tax year in
3 46 which the taxpayer redeems the tax credit. A tax
3 47 credit under this section is not transferable.

3 48 b. The aggregate amount of tax credits authorized
3 49 pursuant to this subsection shall not total more than
3 50 twenty million dollars. The total amount of tax
4 1 credits authorized during a fiscal year shall not
4 2 exceed four million dollars plus any unused tax
4 3 credits carried over from previous years. Any tax
4 4 credits which remain unused for a fiscal year may be
4 5 carried forward to the succeeding fiscal year. The
4 6 maximum amount of tax credits that may be authorized

4 7 in a fiscal year for contributions made to a specific
4 8 economic development region revolving fund is equal to
4 9 four million dollars plus any unused tax credits
4 10 carried over from previous years divided by the number
4 11 of economic development region revolving funds
4 12 existing in the state.

4 13 c. The department of economic development shall
4 14 administer the authorization of tax credits under this
4 15 section and shall, in cooperation with the department
4 16 of revenue and finance, adopt rules pursuant to
4 17 chapter 17A necessary for the administration of this
4 18 section.

4 19 3. An approved economic development region may
4 20 apply for financial assistance from the Iowa values
4 21 fund to assist with physical infrastructure needs
4 22 related to a specific business partner. In order to
4 23 receive financial assistance pursuant to this
4 24 subsection, the economic development region must
4 25 demonstrate all of the following:

4 26 a. The ability to provide matching moneys on a one
4 27 to one basis.

4 28 b. The commitment of the specific business
4 29 partner.

4 30 c. That all other funding alternatives have been
4 31 exhausted.

4 32 4. An approved economic development region may
4 33 apply for financial assistance from the Iowa values
4 34 fund to assist an existing business located in the
4 35 economic development region impacted by business
4 36 consolidation actions. Business consolidation actions
4 37 include a substantial or total closure of an existing
4 38 business due to consolidating the existing business
4 39 out of state. In order to receive financial
4 40 assistance pursuant to this subsection, the economic
4 41 development region must demonstrate the ability to
4 42 provide matching moneys on a one-to-one basis.

4 43 5. An approved economic development region may
4 44 apply for financial assistance to implement economic
4 45 development initiatives unique to the region. In
4 46 order to receive financial assistance pursuant to this
4 47 subsection, the economic development region must
4 48 demonstrate the ability to provide matching moneys on
4 49 a one-to-one basis.

4 50 6. An approved economic development region may
5 1 apply for financial assistance to implement innovative
5 2 initiatives that do not qualify for assistance under
5 3 subsection 5.

5 4 7. The board may establish and administer a
5 5 regional economic development revenue sharing pilot
5 6 project for one or more regions. Not more than three
5 7 pilot projects shall be established. The department
5 8 of economic development shall provide technical
5 9 assistance to the regions participating in a pilot
5 10 project.

5 11 8. Financial assistance under subsections 3, 4, 5,
5 12 and 6 and section 15E.233 shall be limited to a total
5 13 of twenty million dollars.

5 14 Sec. 5. NEW SECTION. 15E.233 ECONOMICALLY
5 15 ISOLATED AREAS.

5 16 1. An approved economic development region may
5 17 apply to the Iowa values board for approval to be
5 18 designated as an economically isolated area. In order
5 19 to be considered an economically isolated area, the
5 20 region must have at least one county that meets all of
5 21 the following criteria:

5 22 a. A majority of the land area of the county is
5 23 located at least forty miles away from a major
5 24 commercial area, as determined by the board. Major
5 25 commercial areas include all of the following:

- 5 26 (1) Burlington.
- 5 27 (2) Carroll.
- 5 28 (3) Cedar Rapids.
- 5 29 (4) Clinton.
- 5 30 (5) Council Bluffs.
- 5 31 (6) Davenport.
- 5 32 (7) Des Moines.
- 5 33 (8) Dubuque.
- 5 34 (9) Fort Dodge.
- 5 35 (10) Iowa City.
- 5 36 (11) Marshalltown.
- 5 37 (12) Mason City.

5 38 (13) Ottumwa.
5 39 (14) Sioux City.
5 40 (15) Spencer.
5 41 (16) Storm Lake.
5 42 (17) Waterloo.
5 43 b. The county has at least one of the following:
5 44 (1) Per capita income that ranks in the lowest
5 45 twenty=five counties in the state based on the 2000
5 46 census.
5 47 (2) An annualized average weekly wage for
5 48 employees in private business that ranks in the lowest
5 49 twenty=five counties in the state in calendar year
5 50 2000.
6 1 2. An approved economically isolated area may
6 2 apply to the department of economic development for up
6 3 to seven hundred fifty thousand dollars over a five=
6 4 year period for purposes of economic=development=
6 5 related marketing assistance for the area. In order
6 6 to receive financial assistance pursuant to this
6 7 subsection, the economic development region must
6 8 demonstrate the ability to provide matching moneys on
6 9 a one=to=one basis.
6 10 Sec. 6. NEW SECTION. 422.11J ECONOMIC
6 11 DEVELOPMENT REGION REVOLVING FUND TAX CREDIT.
6 12 The taxes imposed under this division, less the
6 13 credits allowed under sections 422.12 and 422.12B,
6 14 shall be reduced by an economic development region
6 15 revolving fund contribution tax credit authorized
6 16 pursuant to section 15E.232.
6 17 Sec. 7. Section 422.33, Code Supplement 2003, is
6 18 amended by adding the following new subsection:
6 19 NEW SUBSECTION. 16. The taxes imposed under this
6 20 division shall be reduced by an economic development
6 21 region revolving fund contribution tax credit
6 22 authorized pursuant to section 15E.232.
6 23 Sec. 8. Section 422.60, Code Supplement 2003, is
6 24 amended by adding the following new subsection:
6 25 NEW SUBSECTION. 8. The taxes imposed under this
6 26 division shall be reduced by an economic development
6 27 region revolving fund contribution tax credit
6 28 authorized pursuant to section 15E.232.
6 29 Sec. 9. NEW SECTION. 432.12E ECONOMIC
6 30 DEVELOPMENT REGION REVOLVING FUND CONTRIBUTION TAX
6 31 CREDITS.
6 32 The tax imposed under this chapter shall be reduced
6 33 by an economic development region tax credit
6 34 authorized pursuant to section 15E.232.
6 35 Sec. 10. Section 533.24, Code Supplement 2003, is
6 36 amended by adding the following new subsection:
6 37 NEW SUBSECTION. 6. The moneys and credits tax
6 38 imposed under this section shall be reduced by an
6 39 economic development region revolving fund
6 40 contribution tax credit authorized pursuant to section
6 41 15E.232.
6 42 Sec. 11. ECONOMIC DEVELOPMENT REGION FINANCIAL
6 43 ASSISTANCE APPROPRIATION.
6 44 1. There is appropriated from the grow Iowa values
6 45 fund created in section 15G.108 to the department of
6 46 economic development for the fiscal year beginning
6 47 July 1, 2004, and ending June 30, 2005, the following
6 48 amount, or so much thereof as is necessary, to be used
6 49 for the purpose designated:
6 50 For providing financial assistance under section
7 1 15E.232, subsections 3, 4, 5, and 6 and under section
7 2 15E.233:
7 3 \$ 20,000,000
7 4 2. Notwithstanding section 8.33, moneys that
7 5 remain unexpended at the end of a fiscal year shall
7 6 not revert to any fund but shall remain available for
7 7 expenditure for the designated purposes during the
7 8 succeeding fiscal year.
7 9 Sec. 12. ECONOMIC DEVELOPMENT REGION REVOLVING
7 10 FUND CONTRIBUTION TAX CREDITS APPROPRIATION.
7 11 1. There is appropriated from the grow Iowa values
7 12 fund created in section 15G.108 to the general fund of
7 13 the state, for the fiscal period beginning July 1,
7 14 2004, and ending June 30, 2008, the following amounts,
7 15 or so much thereof as is necessary, to be used for the
7 16 purpose designated:
7 17 For payment of tax credits approved pursuant to
7 18 section 15E.232:

7 19 FY 2004=2005 \$ 4,000,000
7 20 FY 2005=2006 \$ 4,000,000
7 21 FY 2006=2007 \$ 4,000,000
7 22 FY 2007=2008 \$ 4,000,000
7 23 FY 2008=2009 \$ 4,000,000

7 24 2. Notwithstanding section 8.33, moneys that
7 25 remain unexpended at the end of a fiscal year shall
7 26 not revert to any fund but shall remain available for
7 27 expenditure for the designated purposes during the
7 28 succeeding fiscal year.

7 29 3. Any moneys appropriated under this section that
7 30 remain unexpended on June 30, 2009, are appropriated
7 31 from the general fund of the state to the department
7 32 of economic development for the fiscal year beginning
7 33 July 1, 2009, and ending June 30, 2010, to be used for
7 34 providing financial assistance under section 15E.232,
7 35 subsections 3, 4, 5, and 6.

7 36 Sec. 13. RETROACTIVE APPLICABILITY. The section
7 37 of this Act enacting section 15E.232, relating to the
7 38 economic development region revolving fund
7 39 contribution tax credit, is retroactively applicable
7 40 to January 1, 2004, and is applicable on and after
7 41 that date.

7 42 DIVISION IV == APPROPRIATIONS

7 43 Sec. 14. Section 404A.4, subsection 4, Code
7 44 Supplement 2003, is amended to read as follows:

7 45 4. The total amount of tax credits that may be
7 46 approved for a fiscal year under this chapter shall
7 47 not exceed two million four hundred thousand dollars.
7 48 For the fiscal years beginning July 1, 2005, and year
7 49 beginning July 1, 2004, an additional one million five

7 50 hundred thousand dollars of tax credits may be
8 1 approved for purposes of projects located in cultural

8 2 and entertainment districts certified pursuant to
8 3 section 303.3B. For the fiscal year beginning July 1,

8 4 2005, an additional two million dollars of tax credits
8 5 may be approved for purposes of projects located in

8 6 cultural and entertainment districts certified
8 7 pursuant to section 303.3B. For the fiscal year

8 8 beginning July 1, 2006, an additional five hundred
8 9 thousand dollars of tax credits may be approved each

8 10 fiscal year for purposes of projects located in
8 11 cultural and entertainment districts certified

8 12 pursuant to section 303.3B. Any of the additional tax
8 13 credits allocated for projects located in certified

8 14 cultural and entertainment districts that are not
8 15 approved during a fiscal year may be carried over to

8 16 the succeeding fiscal year. Tax credit certificates
8 17 shall be issued on the basis of the earliest awarding

8 18 of certifications of completion as provided in
8 19 subsection 1. The departments of economic development

8 20 and revenue shall each adopt rules to jointly
8 21 administer this subsection and shall provide by rule

8 22 for the method to be used to determine for which
8 23 fiscal year the tax credits are approved.

8 24 Sec. 15. REHABILITATION PROJECT TAX CREDITS
8 25 APPROPRIATION.

8 26 1. There is appropriated from the grow Iowa values
8 27 fund to the general fund of the state for each fiscal
8 28 year of the fiscal period beginning July 1, 2004, and
8 29 ending June 30, 2006, the following amounts, or so
8 30 much thereof as is necessary, to be used for the
8 31 purpose designated:

8 32 For payment of tax credits approved pursuant to
8 33 section 404A.4 for projects located in certified
8 34 cultural and entertainment districts:
8 35 FY 2004=2005 \$ 1,500,000
8 36 FY 2005=2006 \$ 1,500,000

8 37 2. Notwithstanding section 8.33, moneys that
8 38 remain unexpended at the end of a fiscal year shall
8 39 not revert to any fund but shall remain available for
8 40 expenditure for the designated purposes during the
8 41 succeeding fiscal year.

8 42 Sec. 16. COMMUNITY ATTRACTION AND TOURISM PROGRAM.

8 43 1. There is appropriated from the grow Iowa values
8 44 fund to the office of the treasurer of state for each
8 45 fiscal year of the fiscal period beginning July 1,
8 46 2004, and ending June 30, 2007, the following amounts,
8 47 or so much thereof as is necessary, to be used for the
8 48 purpose designated:

8 49 For deposit in the community attraction and tourism

8 50 fund:
9 1 FY 2004=2005 \$ 15,000,000
9 2 FY 2005=2006 \$ 15,000,000
9 3 FY 2006=2007 \$ 15,000,000

9 4 2. Notwithstanding section 8.33, moneys that
9 5 remain unexpended at the end of a fiscal year shall
9 6 not revert to any fund but shall remain available for
9 7 expenditure for the designated purposes during the
9 8 succeeding fiscal year.

9 9 Sec. 17. STATE PARKS.

9 10 1. There is appropriated from the grow Iowa values
9 11 fund to the grow Iowa values board for each fiscal
9 12 year of the fiscal period beginning July 1, 2004, and
9 13 ending June 30, 2006, the following amounts, or so
9 14 much thereof as is necessary, to be used for the
9 15 purpose designated:

9 16 For the purpose of providing financial assistance
9 17 for projects in targeted state parks and destination
9 18 parks:
9 19 FY 2004=2005 \$ 3,000,000
9 20 FY 2005=2006 \$ 3,000,000

9 21 2. Notwithstanding section 8.33, moneys that
9 22 remain unexpended at the end of a fiscal year shall
9 23 not revert to any fund but shall remain available for
9 24 expenditure for the designated purposes during the
9 25 succeeding fiscal year.

9 26 Sec. 18. IOWA CULTURAL TRUST FUND.

9 27 1. There is appropriated from the grow Iowa values
9 28 fund to the office of the treasurer of state for each
9 29 fiscal year of the fiscal period beginning July 1,
9 30 2004, and ending June 30, 2006, the following amounts,
9 31 or so much thereof as is necessary, to be used for the
9 32 purpose designated:

9 33 For deposit in the Iowa cultural trust fund created
9 34 in section 303A.4:
9 35 FY 2004=2005 \$ 2,000,000
9 36 FY 2005=2006 \$ 2,000,000

9 37 2. Notwithstanding section 8.33, moneys that
9 38 remain unexpended at the end of a fiscal year shall
9 39 not revert to any fund but shall remain available for
9 40 expenditure for the designated purposes during the
9 41 succeeding fiscal year.

9 42 DIVISION V == GROW IOWA VALUES FUND FUNDING

9 43 Sec. 19. Section 8.57, subsection 5, paragraph e,
9 44 Code Supplement 2003, is amended to read as follows:

9 45 e. Notwithstanding provisions to the contrary in
9 46 sections 99D.17 and 99F.11, for the fiscal year
9 47 beginning July 1, ~~2000 2003~~, and ~~for each fiscal year~~
9 48 ~~thereafter ending June 30, 2004~~, not more than a total
9 49 of sixty million dollars shall be deposited in the
9 50 general fund of the state in ~~any the~~ fiscal year

10 1 pursuant to sections 99D.17 and 99F.11; for the fiscal
10 2 period beginning July 1, 2004, and ending June 30,
10 3 2030, not more than a total of thirty-eight million
10 4 three hundred thousand dollars of the moneys directed
10 5 to be deposited in the general fund of the state in a
10 6 fiscal year pursuant to sections 99D.17 and 99F.11
10 7 shall be deposited in the grow Iowa values fund
10 8 created in section 15G.108 in any fiscal year, and not
10 9 more than a total of twenty-one million seven hundred
10 10 thousand dollars shall be deposited in the general
10 11 fund in any fiscal year; and for the fiscal year
10 12 beginning July 1, 2030, and for each fiscal year
10 13 thereafter, not more than a total of sixty million
10 14 dollars shall be deposited in the general fund of the
10 15 state in any fiscal year pursuant to sections 99D.17
10 16 and 99F.11. The next fifteen million dollars of the

10 17 moneys directed to be deposited in the general fund of
10 18 the state in a fiscal year pursuant to sections 99D.17
10 19 and 99F.11 shall be deposited in the vision Iowa fund
10 20 created in section 12.72 for the fiscal year beginning
10 21 July 1, 2000, and for each fiscal year through the
10 22 fiscal year beginning July 1, 2019. The next five
10 23 million dollars of the moneys directed to be deposited
10 24 in the general fund of the state in a fiscal year
10 25 pursuant to sections 99D.17 and 99F.11 shall be
10 26 deposited in the school infrastructure fund created in
10 27 section 12.82 for the fiscal year beginning July 1,
10 28 2000, and for each fiscal year thereafter until the
10 29 principal and interest on all bonds issued by the
10 30 treasurer of state pursuant to section 12.81 are paid,

10 31 as determined by the treasurer of state. The total
10 32 moneys in excess of the moneys deposited in the
10 33 general fund of the state, the grow Iowa values fund,
10 34 the vision Iowa fund, and the school infrastructure
10 35 fund in a fiscal year shall be deposited in the
10 36 rebuild Iowa infrastructure fund and shall be used as
10 37 provided in this section, notwithstanding section
10 38 8.60.

10 39 If the total amount of moneys directed to be
10 40 deposited in the general fund of the state under
10 41 sections 99D.17 and 99F.11 in a fiscal year is less
10 42 than the total amount of moneys directed to be
10 43 deposited in the grow Iowa values fund, the vision
10 44 Iowa fund, and the school infrastructure fund in the
10 45 fiscal year pursuant to this paragraph "e", the
10 46 difference shall be paid from lottery revenues in the
10 47 manner provided in section 99G.39, subsection 3.

10 48 Sec. 20. NEW SECTION. 12.91 GENERAL AND SPECIFIC
10 49 BONDING POWERS.

11 50 1. The treasurer of state may issue bonds for the
11 1 purpose of funding the grow Iowa values fund created
11 2 in section 15G.108. The treasurer of state shall have
11 3 all of the powers which are necessary to issue and
11 4 secure bonds and carry out the purposes of the fund.
11 5 The treasurer of state may issue bonds in principal
11 6 amounts which are necessary to provide sufficient
11 7 funds for the grow Iowa values fund, the payment of
11 8 interest on the bonds, the establishment of reserves
11 9 to secure the bonds, the costs of issuance of the
11 10 bonds, other expenditures of the treasurer of state
11 11 incident to and necessary or convenient to carry out
11 12 the bond issue for the fund, and all other
11 13 expenditures of the board necessary or convenient to
11 14 administer the fund. The bonds are investment
11 15 securities and negotiable instruments within the
11 16 meaning of and for purposes of the uniform commercial
11 17 code.

11 18 2. Bonds issued under this section are payable
11 19 solely and only out of the moneys, assets, or revenues
11 20 of the grow Iowa values fund and any bond reserve
11 21 funds established pursuant to section 12.92, all of
11 22 which may be deposited with trustees or depositories
11 23 in accordance with bond or security documents and
11 24 pledged to the payment thereof. Bonds issued under
11 25 this section shall contain on their face a statement
11 26 that the bonds do not constitute an indebtedness of
11 27 the state. The treasurer of state shall not pledge
11 28 the credit or taxing power of this state or any
11 29 political subdivision of the state or make bonds
11 30 issued pursuant to this section payable out of any
11 31 moneys except those in the grow Iowa values fund.

11 32 3. The proceeds of bonds issued by the treasurer
11 33 of state and not required for immediate disbursement
11 34 may be deposited with a trustee or depository as
11 35 provided in the bond documents and invested or
11 36 reinvested in any investment as directed by the
11 37 treasurer of state and specified in the trust
11 38 indenture, resolution, or other instrument pursuant to
11 39 which the bonds are issued without regard to any
11 40 limitation otherwise provided by law.

11 41 4. The bonds shall be:

11 42 a. In a form, issued in denominations, executed in
11 43 a manner, and payable over terms and with rights of
11 44 redemption, and be subject to the terms, conditions,
11 45 and covenants providing for the payment of the
11 46 principal of, redemption premiums, if any, interest
11 47 which may be fixed or variable during any period the
11 48 bonds are outstanding, and such other terms and
11 49 conditions as prescribed in the trust indenture,
11 50 resolution, or other instrument authorizing their
12 1 issuance.

12 2 b. Negotiable instruments under the laws of the
12 3 state and may be sold at prices, at public or private
12 4 sale, and in a manner, as prescribed by the treasurer
12 5 of state. Chapters 73A, 74, 74A, and 75 do not apply
12 6 to the sale or issuance of the bonds.

12 7 c. Subject to the terms, conditions, and covenants
12 8 providing for the payment of the principal, redemption
12 9 premiums, if any, interest, and other terms,
12 10 conditions, covenants, and protective provisions
12 11 safeguarding payment, not inconsistent with this

12 12 section and as determined by the trust indenture,
12 13 resolution, or other instrument authorizing their
12 14 issuance.

12 15 5. The bonds are securities in which public
12 16 officers and bodies of this state, political
12 17 subdivisions of this state, insurance companies and
12 18 associations and other persons carrying on an
12 19 insurance business, banks, trust companies, savings
12 20 associations, savings and loan associations, and
12 21 investment companies; administrators, guardians,
12 22 executors, trustees, and other fiduciaries; and other
12 23 persons authorized to invest in bonds or other
12 24 obligations of the state may properly and legally
12 25 invest funds, including capital, in their control or
12 26 belonging to them.

12 27 6. Bonds must be authorized by a trust indenture,
12 28 resolution, or other instrument of the treasurer of
12 29 state.

12 30 7. Neither the resolution, trust indenture, nor
12 31 any other instrument by which a pledge is created
12 32 needs to be recorded or filed under the Iowa uniform
12 33 commercial code to be valid, binding, or effective.

12 34 8. Bonds issued under the provisions of this
12 35 section are declared to be issued for a general public
12 36 and governmental purpose and all bonds issued under
12 37 this section shall be exempt from taxation by the
12 38 state of Iowa and the interest on the bonds shall be
12 39 exempt from the state income tax and the state
12 40 inheritance and estate tax.

12 41 9. Subject to the terms of any bond documents,
12 42 moneys in the grow Iowa values fund may be expended
12 43 for administration expenses.

12 44 10. The treasurer of state may issue bonds for the
12 45 purpose of refunding any bonds issued pursuant to this
12 46 section then outstanding, including the payment of any
12 47 redemption premiums thereon and any interest accrued
12 48 or to accrue to the date of redemption of the
12 49 outstanding bonds. Until the proceeds of bonds issued
12 50 for the purpose of refunding outstanding bonds are
13 1 applied to the purchase or retirement of outstanding
13 2 bonds or the redemption of outstanding bonds, the
13 3 proceeds may be placed in escrow and be invested and
13 4 reinvested in accordance with the provisions of this
13 5 section. The interest, income, and profits earned or
13 6 realized on an investment may also be applied to the
13 7 payment of the outstanding bonds to be refunded by
13 8 purchase, retirement, or redemption. After the terms
13 9 of the escrow have been fully satisfied and carried
13 10 out, any balance of proceeds and interest earned or
13 11 realized on the investments may be returned to the
13 12 treasurer of state for deposit in the grow Iowa values
13 13 fund established in section 15G.108. All refunding
13 14 bonds shall be issued and secured and subject to the
13 15 provisions of this chapter in the same manner and to
13 16 the same extent as other bonds issued pursuant to this
13 17 section.

13 18 11. The treasurer of state shall have all of the
13 19 powers which are necessary to issue and secure bonds,
13 20 including but not limited to the power to procure
13 21 insurance, other credit enhancements, and other
13 22 financing arrangements, and to execute instruments and
13 23 contracts and to enter into agreements convenient or
13 24 necessary to facilitate financing arrangements with
13 25 respect to the bonds and to carry out the purposes of
13 26 the fund, including but not limited to such
13 27 arrangements, instruments, contracts, and agreements
13 28 as municipal bond insurance, self-insurance or
13 29 liquidity trusts, accounts, pools or other
13 30 arrangements, liquidity facilities or covenants,
13 31 letters of credit, and interest rate agreements.

13 32 12. For purposes of this section and sections
13 33 12.92 through 12.95, the term "bonds" means bonds,
13 34 notes, and other obligations and financing
13 35 arrangements issued or entered into by the treasurer
13 36 of state and the term "interest rate agreement" means
13 37 an interest rate swap or exchange agreement, an
13 38 agreement establishing an interest rate floor or
13 39 ceiling or both, or any similar agreement. Any such
13 40 agreement may include the option to enter into or
13 41 cancel the agreement or to reverse or extend the
13 42 agreement.

13 43 Sec. 21. NEW SECTION. 12.92 GROW IOWA VALUES
13 44 FUND ACCOUNTS AND RESERVE FUNDS.

13 45 1. The treasurer of state shall establish such
13 46 accounts within the grow Iowa values fund created in
13 47 section 15G.108 as may be appropriate, including debt
13 48 service accounts for the purpose of paying the
13 49 principal of, redemption premium, if any, and interest
13 50 on bonds payable therefrom. Moneys in the debt
14 1 service accounts shall not be subject to appropriation
14 2 for any other purpose by the general assembly, but
14 3 shall be used only for the purposes of paying the
14 4 principal of, redemption premium, if any, and interest
14 5 on the bonds payable therefrom.

14 6 2. Revenue for the grow Iowa values fund shall
14 7 include, but is not limited to, the following, which
14 8 shall be deposited with the treasurer of state or its
14 9 designee as provided by any bond or security documents
14 10 and credited to the debt service account:

14 11 a. The proceeds of bonds issued to capitalize and
14 12 pay the costs of the fund and investment earnings on
14 13 the proceeds.

14 14 b. Interest attributable to investment of moneys
14 15 in the fund or an account of the fund.

14 16 c. Moneys in the form of a devise, gift, bequest,
14 17 donation, federal or other grant, reimbursement,
14 18 repayment, judgment, transfer, payment, or
14 19 appropriation from any source intended to be used for
14 20 the purposes of the fund or account.

14 21 3. a. The treasurer of state may create and
14 22 establish one or more special funds, to be known as
14 23 "bond reserve funds", to secure one or more issues of
14 24 bonds issued pursuant to section 12.91. The treasurer
14 25 of state shall pay into each bond reserve fund any
14 26 moneys appropriated and made available by the state or
14 27 treasurer of state for the purpose of the fund, any
14 28 proceeds of sale of bonds to the extent provided in
14 29 the resolutions or trust indentures authorizing their
14 30 issuance, and any other moneys which may be available
14 31 to the treasurer of state for the purpose of the fund
14 32 from any other sources. All moneys held in a bond
14 33 reserve fund, except as otherwise provided in this
14 34 chapter, shall be used as required solely for the
14 35 payment of the principal of bonds secured in whole or
14 36 in part by the fund or of the sinking fund payments
14 37 with respect to the bonds, the purchase or redemption
14 38 of the bonds, the payment of interest on the bonds, or
14 39 the payments of any redemption premium required to be
14 40 paid when the bonds are redeemed prior to maturity.

14 41 b. Moneys in a bond reserve fund shall not be
14 42 withdrawn from it at any time in an amount that will
14 43 reduce the amount of the fund to less than the bond
14 44 reserve fund requirement established for the fund, as
14 45 provided in this subsection, except for the purpose of
14 46 making, with respect to bonds secured in whole or in
14 47 part by the fund, payment when due of principal,
14 48 interest, redemption premiums, and the sinking fund
14 49 payments with respect to the bonds for the payment of
14 50 which other moneys of the treasurer of state are not
15 1 available.

15 2 Any income or interest earned by, or incremental
15 3 to, a bond reserve fund due to the investment of it
15 4 may be transferred by the treasurer of state to other
15 5 funds or accounts to the extent the transfer does not
15 6 reduce the amount of that bond reserve fund below the
15 7 bond reserve fund requirement for it.

15 8 c. The treasurer of state shall not at any time
15 9 issue bonds, secured in whole or in part by a bond
15 10 reserve fund, if, upon the issuance of the bonds, the
15 11 amount in the bond reserve fund will be less than the
15 12 bond reserve fund requirement for the fund, unless the
15 13 treasurer of state at the time of issuance of the
15 14 bonds deposits in the fund from the proceeds of the
15 15 bonds issued or from other sources an amount which,
15 16 together with the amount then in the fund, will not be
15 17 less than the bond reserve fund requirement for the
15 18 fund. For the purposes of this subsection, the term
15 19 "bond reserve fund requirement" means, as of any
15 20 particular date of computation, an amount of money, as
15 21 provided in the resolutions or trust indentures
15 22 authorizing the bonds with respect to which the fund
15 23 is established.

15 24 d. To assure the continued solvency of any bonds
15 25 secured by the bond reserve fund, provision is made in
15 26 paragraph "a" for the accumulation in each bond
15 27 reserve fund of an amount equal to the bond reserve
15 28 requirement for the fund. In order to further assure
15 29 maintenance of the bond reserve funds, the treasurer
15 30 of state shall, on or before January 1 of each
15 31 calendar year, make and deliver to the governor the
15 32 treasurer of state's certificate stating the sum, if
15 33 any, required to restore each bond reserve fund to the
15 34 bond reserve fund requirement for that fund. Within
15 35 thirty days after the beginning of the session of the
15 36 general assembly next following the delivery of the
15 37 certificate, the governor shall submit to both houses
15 38 printed copies of a budget including the sum, if any,
15 39 required to restore each bond reserve fund to the bond
15 40 reserve fund requirement for that fund. Any sums
15 41 appropriated by the general assembly and paid to the
15 42 treasurer of state pursuant to this subsection shall
15 43 be deposited by the treasurer of state in the
15 44 applicable bond reserve fund.

15 45 Sec. 22. NEW SECTION. 12.93 PLEDGES.

15 46 1. It is the intention of the general assembly
15 47 that a pledge made in respect of bonds shall be valid
15 48 and binding from the time the pledge is made, that the
15 49 moneys or property so pledged and received after the
15 50 pledge by the treasurer of state shall immediately be
16 1 subject to the lien of the pledge without physical
16 2 delivery or further act, and that the lien of the
16 3 pledge shall be valid and binding as against all
16 4 parties having claims of any kind in tort, contract,
16 5 or otherwise against the treasurer of state whether or
16 6 not the parties have notice of the lien.

16 7 2. The moneys set aside in a fund or funds pledged
16 8 for any series or issue of bonds shall be held for the
16 9 sole benefit of the series or issue separate and apart
16 10 from moneys pledged for another series or issue of
16 11 bonds of the treasurer of state. Bonds may be issued
16 12 in series under one or more resolutions or trust
16 13 indentures and may be fully open-ended, thus providing
16 14 for the unlimited issuance of additional series, or
16 15 partially open-ended, limited as to additional series.

16 16 Sec. 23. NEW SECTION. 12.94 LIMITATIONS.

16 17 Bonds issued pursuant to section 12.91 are not
16 18 debts of the state, or of any political subdivision of
16 19 the state, and do not constitute a pledge of the faith
16 20 and credit of the state or a charge against the
16 21 general credit or general fund of the state. The
16 22 issuance of any bonds pursuant to section 12.91 by the
16 23 treasurer of state does not directly, indirectly, or
16 24 contingently obligate the state or a political
16 25 subdivision of the state to apply moneys, or to levy
16 26 or pledge any form of taxation whatever, to the
16 27 payment of the bonds. Bonds issued under section
16 28 12.91 are payable solely and only from the sources and
16 29 special fund and accounts provided in section 12.92.

16 30 Sec. 24. NEW SECTION. 12.95 CONSTRUCTION.

16 31 Sections 12.91 through 12.94, being necessary for
16 32 the welfare of this state and its inhabitants, shall
16 33 be liberally construed to effect its purposes.

16 34 Sec. 25. Section 15G.108, Code Supplement 2003, is
16 35 amended to read as follows:

16 36 15G.108 GROW IOWA VALUES FUND.

16 37 A grow Iowa values fund is created and established
16 38 as a separate and distinct fund in the state treasury
16 39 under the control of the grow Iowa values board
16 40 consisting of moneys appropriated to the grow Iowa
16 41 values board. Moneys in the fund are not subject to
16 42 section 8.33. Notwithstanding section 12C.7, interest
16 43 or earnings on moneys in the fund shall be credited to
16 44 the fund. Moneys in the fund shall not be subject to
16 45 appropriation for any other purposes by the general
16 46 assembly other than as provided in this Act and 2003
16 47 Iowa Acts, First Extraordinary Session, chapter 2, but
16 48 shall be used only for the purposes of the grow Iowa
16 49 values fund. The treasurer of state shall act as
16 50 custodian of the fund and disburse moneys contained in
17 1 the fund as directed by the grow Iowa values board,
17 2 including automatic disbursements of moneys received
17 3 pursuant to the terms of bond indentures and documents
17 4 and security provisions to trustees. The fund shall

17 5 be administered by the grow Iowa values board, which
17 6 shall make expenditures from the fund consistent with
17 7 this chapter and pertinent Acts of the general
17 8 assembly. Any financial assistance provided using
17 9 moneys from the fund may be provided over a period of
17 10 time of more than one year. Payments of interest,
17 11 repayments of moneys loaned pursuant to this chapter,
17 12 and recaptures of grants or loans shall be deposited
17 13 in the fund.

17 14 Sec. 26. Section 15G.110, Code Supplement 2003, is
17 15 amended to read as follows:

17 16 15G.110 FUTURE CONSIDERATION.

17 17 Not later than February 1, 2007, the legislative
17 18 services agency shall prepare and deliver to the
17 19 secretary of the senate and the chief clerk of the
17 20 house of representatives identical divisions that
17 21 repeal the provisions of this chapter, with the
17 22 exception of sections 15G.101, 15G.102, 15G.103, and
17 23 15G.108. It is the intent of this section that the
17 24 general assembly shall bring the division to a vote in
17 25 either the senate or the house of representatives
17 26 expeditiously. It is further the intent of this
17 27 chapter that if the division is approved by the first
17 28 house in which it is considered, it shall
17 29 expeditiously be brought to a vote in the second
17 30 house.

17 31 Sec. 27. Section 99G.39, subsection 3, paragraph
17 32 a, Code Supplement 2003, is amended to read as
17 33 follows:

17 34 a. Notwithstanding subsection 1, if gaming
17 35 revenues under sections 99D.17 and 99F.11 are
17 36 insufficient in a fiscal year to meet the total amount
17 37 of such revenues directed to be deposited in the grow
17 38 Iowa values fund, the vision Iowa fund, and the school
17 39 infrastructure fund during the fiscal year pursuant to
17 40 section 8.57, subsection 5, paragraph "e", the
17 41 difference shall be paid from lottery revenues prior
17 42 to deposit of the lottery revenues in the general
17 43 fund. If lottery revenues are insufficient during the
17 44 fiscal year to pay the difference, the remaining
17 45 difference shall be paid from lottery revenues in
17 46 subsequent fiscal years as such revenues become
17 47 available.

17 48 Sec. 28. 2003 Iowa Acts, First Extraordinary
17 49 Session, chapter 1, section 114, is amended to read as
17 50 follows:

18 1 SEC. 114. The divisions of this Act designated the
18 2 grow Iowa values board and fund, with the exception of
18 3 sections 15G.101, 15G.102, 15G.103, and 15G.108, Code
18 4 Supplement 2003, the value-added agricultural products
18 5 and processes financial assistance program, the endow
18 6 Iowa grants, the technology transfer advisors, the
18 7 Iowa economic development loan and credit guarantee
18 8 fund, the economic development assistance and data
18 9 collection, the cultural and entertainment districts,
18 10 the workforce issues, and the university-based
18 11 research utilization program, are repealed effective
18 12 June 30, 2010.

18 13 Sec. 29. 2003 Iowa Acts, First Extraordinary
18 14 Session, chapter 2, section 75, subsection 1, is
18 15 amended to read as follows:

18 16 1. There is appropriated from the general fund of
18 17 the state from moneys credited to the general fund of
18 18 the state as a result of entering into the streamlined
18 19 sales and use tax agreement, for the fiscal ~~period~~
18 20 year beginning July 1, 2003, and ending June 30, ~~2010~~
18 21 2004, the following ~~amounts~~ amount to be used for the
18 22 purpose designated:

18 23 For deposit in the grow Iowa values fund created in
18 24 section 15G.107, ~~if enacted by 2003 Iowa Acts, House~~
18 25 ~~File 692 or another Act 15G.108:~~

18 26	FY 2003=2004.....	\$ 5,000,000
18 27	FY 2004=2005.....	\$ 23,000,000
18 28	FY 2005=2006.....	\$ 75,000,000
18 29	FY 2006=2007.....	\$ 75,000,000
18 30	FY 2007=2008.....	\$ 75,000,000
18 31	FY 2008=2009.....	\$ 75,000,000
18 32	FY 2009=2010.....	\$ 75,000,000>

18 33 #2. Title page, by striking lines 1 and 2 and inserting the
18 34 following: 18 35 regulatory matters at the state and local level, authorizing
18 36 issuance of tax-exempt bonds and tax credits, making

18 37 appropriations, and providing a retroactive applicability date.>
18 38
18 39
18 40
18 41 PETERSEN of Polk
18 42 HF 2470.201 80
18 43 tm/sh